



Bay Area Air Quality Management District

Grant Opportunity Announcement for Shuttle/Feeder Bus Service and Regional Rideshare Projects

Transportation Fund for Clean Air (TFCA)
Regional Fund

Guidance, Policies and Evaluation Criteria

For Fiscal Year Ending (FYE) 2016

Only open to public agencies

*Bay Area Air Quality Management District
939 Ellis Street, San Francisco, CA 94109*

August 2015

The deadline for receiving the application is **4 PM on September 1, 2015.**

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The Air District offers grants and incentives for the following projects types:

- | | |
|---|-------------------------------|
| ▪ On and Off-Road Heavy-Duty Diesel Vehicles | ▪ Marine Vessels |
| ▪ Zero Emissions-Light Duty Vehicles and Fueling Infrastructure | ▪ Lower-Emission School Buses |
| ▪ Locomotives | ▪ Trip Reduction |
| ▪ Agricultural Equipment | ▪ Community Grants |

Contact us to learn more about Air District grants and incentives:

Website: <http://www.baaqmd.gov/grant-funding>

Email grants@baaqmd.gov

Grants Information Request Line (415) 749-4994



BAY AREA
AIR QUALITY
MANAGEMENT
DISTRICT

INTRODUCTION: THE BAY AREA AIR QUALITY MANAGEMENT DISTRICT

The California Legislature created the Bay Area Air Quality Management District (Air District) in 1955 as the first regional air pollution control agency in the country, recognizing that air emissions overflow political boundaries. The nine counties of the San Francisco Bay Area form a regional air basin, sharing common geographical features and weather patterns, and therefore similar air pollution burdens, which cannot be addressed by counties acting on their own.

The Air District is the public agency entrusted with regulating stationary sources of air pollution in the nine counties that surround San Francisco Bay: Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, southwestern Solano, and southern Sonoma counties.

Vehicle emissions contribute to unhealthful levels of ozone (summertime "smog") and particulate matter. On-road motor vehicles, including cars, trucks, and buses, constitute the most significant source of air pollution in the Bay Area.

To protect public health, the State Legislature enacted the California Clean Air Act in 1988. As part of the requirements, the Air District prepared the *2010 Clean Air Plan (CAP)* which includes transportation control measures (TCMs), defined as "any strategy to reduce vehicle trips, vehicle use, vehicle miles traveled, vehicle idling, or traffic congestion for the purpose of reducing motor vehicle emissions," and mobile source measures (MSMs), which encourage the introduction of newer, cleaner motor vehicle technologies and the retirement of older, more polluting vehicles.

TRANSPORTATION FUND FOR CLEAN AIR (TFCA)

In 1991, the California State Legislature authorized the Air District to impose a \$4 surcharge on motor vehicles registered within the San Francisco Bay Area to fund projects that reduce on-road motor vehicle emissions. The Air District has allocated these funds to its Transportation Fund for Clean Air (TFCA) program to fund eligible projects. The statutory authority for the TFCA and requirements of the program are set forth in California Health and Safety Code Sections 44241 and 44242.

Sixty percent (60%) of TFCA funds are awarded directly by the Air District to eligible projects and programs implemented directly by the Air District (e.g., Spare the Air, Plug-in Electric Vehicle Program) and through a grant program known as the Regional Fund Program. The remaining forty percent (40%) of TFCA funds are forwarded to the designated agency within each Bay Area county and distributed through the County Program Manager program (see www.baaqmd.gov/tfca4pm for details).

TFCA REGIONAL FUND PROGRAM

In FYE 2015 nearly \$8 million were awarded through the Regional Fund including approximately \$3.6 million for shuttle and rideshare service projects. ***For FYE 2016, up to \$22 million in TFCA in funds are available for distribution for through the Regional Fund, of which up to \$4.36 million in funds are reserved for shuttle/feeder bus services, ridesharing, and pilot trip reduction projects.***

Projects must meet TFCA Regional Fund policies and eligibility criteria approved by the Air District Board of Directors in order to be eligible for funding. ***See APPENDIX A: Board Adopted TFCA Regional Fund Policies and Evaluation Criteria for FYE 2016 for a complete list of all program requirements.***

Solicitations for the TFCA Regional Fund are announced via the TFCA grants distribution e-mail list and posted on the Air District's [website](http://www.baaqmd.gov). To add your name to the TFCA grants distribution list, fill out the survey at <http://www.surveymonkey.com/s/6MRPHLD>

SUMMARY OF CHANGES TO SHUTTLE AND REGIONAL RIDESHARE POLICES IN FYE 2016**Key Revisions**

In addition to minor text changes and grammatical/formatting revisions to increase clarity, changes to the TFCA Regional Fund Program from last fiscal year include the following:

Policy # and Title	Description of Proposed Change
#2. TFCA Cost-Effectiveness	Increases (makes more lenient) the cost-effectiveness limits for Shuttle/Feeder Bus Service projects in CARE and PDAs (from \$175,000/ton, to \$200,000/ton).
#11. In Compliance with Air Quality Regulations	New policy that aligns TFCA requirements with those of other Air District grant programs; requires applicants to certify that they are in compliance with all local, State, and federal air quality regulations.
#19. Combined Funds	Specifies when TFCA County Program Manager Funds may be used for TFCA Regional Fund projects.
#28. Shuttle/Feeder Bus Services	Revised to reflect stakeholder and Board input: <ol style="list-style-type: none"> The previous language regarding “duplication of service” (28.d) has been revised to clarify that eligible projects are those that provide service to “locations that are under-served and lack other comparable service.” The 0.5 mile exclusion radius has been reduced to one-third (1/3) mile and a new parameter regarding service frequency exception has been added to clarify that proposed services must improve the average travel time of the existing service level by at least 33% and 15 minutes. The requirement to submit a financial plan to achieve financial self-sufficiency has been removed for existing projects. The requirement for applicants to submit a letter of concurrence from the transit district or agency has been clarified (28.h).

New Program

The FYE 2016 Policies also includes new Regional Fund project categories that are being proposed and are described below:

- Pilot Trip Reduction (Policy #29): This project category would provide initial capital for the startup of pilot projects that reduce single-occupancy commute-hour vehicle trips by encouraging mode-shift to other forms of shared transportation in the Air District designated CARE and Planned and Potential Priority Development Areas (PDAs). This category expands and replaces the previous “pilot” category that was limited to only shuttle/feeder bus services.

APPLICATION WORKSHOP AND ASSISTANCE

A pre-application workshop to discuss program requirements, the application process, and application evaluation criteria is scheduled from 10:30 to 11:30AM on August 11, 2015. This workshop will be broadcast as an online webinar. [Registration](#) is required to attend, and early registration is encouraged as the webinar is limited to 100 attendees. Webinar attendance is highly encouraged but not required. More information on the solicitation, program requirements, and webinar can be found on the Air District’s Shuttle and Regional Rideshare website at <http://www.baaqmd.gov/grant-funding/public-agencies/shuttles-and-rideshare>.

To ask a specific question regarding any of the application materials, contact: Ken Mak at 415-749-8660 or kmak@baaqmd.gov.

TIPS!

The following is a listing of common attributes of shuttle and ridesharing projects that compete well because they improve a project's cost-effectiveness:

- √ Service is provided using the best available and cleanest technology vehicle(s) (e.g., 2010 or later engine, zero or partial zero emission).
- √ Applicant requests a relatively low amount of grant funds for the Project.
- √ A relatively large % of riders would have otherwise driven alone (over a long distance) if the service was not available.

DUE DATE AND APPLICATION REVIEW PROCESS:

Applications must be received by **4 PM on September 1, 2015**. Board resolutions may be submitted after the due date, but must be received by the Air District by 4 PM on October 1, 2015.

Complete applications that meet the program requirements will be scored and ranked based on cost-effectiveness and the Board adopted Evaluation Criteria. Air District staff may request additional documentation to verify the information provided in applications.

The Air District reserves the right to recommend a reduced amount of funding from the amount that was requested in the event that the program is oversubscribed, or to ensure that the project meets the cost-effectiveness limits.

APPENDIX A: BOARD ADOPTED TFCA REGIONAL FUND POLICIES AND EVALUATION CRITERIA FOR FYE 2016

The following policies apply to the Bay Area Air Quality Management District's (Air District) Transportation Fund for Clean Air (TFCA) Regional Fund for fiscal year ending (FYE) 2016.

BASIC ELIGIBILITY

1. **Eligible Projects:** Only projects that result in the reduction of motor vehicle emissions within the Air District's jurisdiction are eligible. Projects must conform to the provisions of the California Health and Safety Code (HSC) sections 44220 et seq. and Air District Board of Directors adopted TFCA Regional Fund Policies and Evaluation Criteria for FYE 2016.

Projects must achieve surplus emission reductions, i.e., reductions that are beyond what is required through regulations, contracts, and other legally binding obligations at the time the Air District executes the project's funding agreement.

2. **TFCA Cost-Effectiveness:** Projects must not exceed the maximum cost-effectiveness (C-E) limit noted in Table 1. Cost-effectiveness (\$/weighted ton) is based on the ratio of TFCA fund awarded divided by the sum of surplus emissions reduced of reactive organic gases (ROG), nitrogen oxides (NOx), and weighted PM10 (particulate matter 10 microns in diameter and smaller) over a project's useful life.

Table 1: Maximum Cost-Effectiveness for FYE 2016 TFCA Regional Fund Projects

Policy #	Project Category	Maximum C-E (\$/weighted ton)
22	On-Road Truck Replacements	\$90,000
23	Light-Duty Zero and Partial-Zero Emissions Vehicles for Fleets	\$250,000
24	Heavy-Duty Zero Emissions Vehicles	\$250,000
25	Hydrogen Stations	\$500,000
26	Reserved	Reserved
27	Reserved	Reserved
28	Shuttle/Feeder Bus Services	\$175,000; \$200,000 for services in CARE Areas or PDAs
29	Pilot Trip Reduction—in CARE areas or Priority Development Areas (PDAs)	\$200,000
30	Regional Ridesharing Services	\$90,000
31	Electronic Bicycle Lockers	\$90,000
32	Bikeways	\$90,000

3. **Consistent with Existing Plans and Programs:** All project categories must comply with the Transportation Control and Mobile Source Control measures included in the Air District's most recently approved strategy(ies) for achieving and maintaining State and national ozone standards; those plans and programs established pursuant to California Health & Safety Code (HSC) sections 40233, 40717 and 40919; and, when specified, other adopted Federal, State, regional, and local plans and programs.
4. **Eligible Recipients and Authority to Apply:** Applicants must have the legal authority, as well as the financial and technical capability, to complete projects. In addition, the following conditions apply:
 - a. **Eligible Recipients:**
 - i. **Public agencies** are eligible to apply for all project categories.
 - ii. **Non-public entities** are only eligible to apply for Clean Air Vehicle Projects and advanced technology demonstrations that are permitted pursuant to HSC section 44241b(7).
 - b. **Authority to Apply:** Applicants must demonstrate that they have the authority to submit the application, to enter into a funding agreement, to carry out the project, and to bind the entity to

perform these tasks by including either: 1) a signed letter of commitment from the applicant's representative with authority (e.g., Chief Executive or Financial Officer, Executive Director, or City Manager); or 2) a signed resolution from the governing body (e.g., City Council, Board of Supervisors, or Board of Directors).

5. **Viable Project and Matching Funds:** Applicants must demonstrate that they have adequate funds to cover all stages of their proposed project(s) from commencement through completion. Unless otherwise specified in policies #22 through 32, project applicants must demonstrate evidence that they have at least 10% of the total eligible project costs (matching funds) from a non-Air District source available and ready to commit to the proposed projects.
6. **Minimum Grant Amount:** \$10,000 per project.
7. **Maximum Grant Amount:** Unless otherwise specified in policies #22 through 32, the maximum grant award amounts are:
 - a. Each public agency may be awarded up to \$1,500,000 per calendar year; and
 - b. Each non-public entity may be awarded up to \$500,000 per calendar year.
8. **Readiness:** Unless otherwise specified in policies #22 through 32, projects must commence by the end of calendar year 2016. For purposes of this policy, "commence" means a tangible preparatory action taken in connection with the projects' operation or implementation, for which the project sponsor can provide documentation of the commencement date and action performed. "Commence" can mean the issuance of a purchase order to secure project vehicles and equipment; commencement of shuttle/feeder bus and ridesharing service; or the delivery of the award letter for a construction contract.
9. **Maximum Two Years Operating Costs:** FYE 2016 TFCA Regional Funds may be used to support up to two years of operating costs for service-based projects (i.e., Trip Reduction Projects)
10. **Project Revisions:** The Air District will consider only requests for modifications to approved projects that are within the same project categories, achieve the same or better cost-effectiveness, comply with all TFCA Regional Fund Policies, and are in compliance with all applicable Federal and State laws, and District rules and regulations. The Air District may also approve minor modifications, such as to correct typographical mistakes in the grant agreements or to change the name of the grantees, without re-evaluating the proposed modification in light of the regulations, contracts, and other legally-binding obligations that are in effect at the time the minor modification was proposed.

APPLICANT IN GOOD STANDING

11. **In Compliance with Air Quality Regulations:** Applicants must certify that, at of the time of the application and at the time of issuance of the grant, they are in compliance with all local, State, and federal air quality regulations. Applicants who have an unresolved violation of District, state or Federal air quality rules or regulations are not eligible for funding. The Air District may terminate a grant agreement and seek reimbursement of distributed funds from project sponsors who were not eligible for funding at the time of the grant.
12. **In Compliance with Agreement Requirements:** Project sponsors who have failed to meet contractual requirements such as project implementation milestones or monitoring and reporting requirements for any project funded by the Air District may not be considered eligible for new funding until such time as all of the unfulfilled obligations are met.
13. **Independent Air District Audit Findings and Determinations:** Project sponsors who have failed either a fiscal audit or a performance audit for a prior Air District funded project will be excluded from future funding for three (3) years from the date of the Air District's final determination in accordance with HSC section 44242. Additionally, project sponsors with open projects will not be reimbursed until all audit recommendations and remedies have been satisfactorily implemented.

A failed fiscal audit means an uncorrected audit finding that confirms an ineligible expenditure of funds. A failed performance audit means that a project was not implemented as set forth in the project funding agreement.

Project sponsors must return funds that the Air District has determined were expended in a manner contrary to the TFCA Regional Funds' requirements and/or requirements of HSC Code section 44220 et seq.; the project did not result in a surplus reduction of air pollution from the mobile sources or transportation control measures pursuant to the applicable plan; the funds were not spent for surplus reduction of air pollution pursuant to a plan or program to be implemented by the TFCA Regional Fund; or otherwise failed to comply with the approved project scope, as set forth in the project funding agreement. Applicants who failed to reimburse such funds to the Air District from prior Air District funded projects will be excluded from future TFCA funding.

14. **Executed Funding Agreement:** Only a fully-executed funding agreement (i.e., signed by both the project sponsor and the Air District) constitutes the Air District's award of funds for a project. Approval of an application for the project by the Air District Board of Directors or notices such as a transmittal letter announcing the proposed award do not constitute a final obligation on the part of the Air District to fund a project.

Applicants must sign funding agreements within 60 days from the date the agreements were transmitted to them in order to remain eligible for award of TFCA Regional Funds. Applicants may request, in writing, an extension of up to no more than 180 days from the transmittal date to sign the grant agreements, which includes the basis for an extended signature period. At its discretion, the Air District may authorize such an extension.

15. **Maintain Appropriate Insurance:** Project sponsors must maintain general liability insurance and additional insurance that is appropriate for its specific project type throughout the life of the project, with coverage being no less than the amounts specified in the respective funding agreement. Project sponsors shall require their subcontractors to obtain and maintain such insurance of the type and in the amounts required by the grant agreements.

INELIGIBLE PROJECTS

16. **Planning Activities:** The costs of preparing or conducting feasibility studies are not eligible. Other planning activities may be eligible, but only if the activities are both: 1) directly related to the implementation of a specific project or program, and 2) directly contribute to the project's emissions reductions.
17. **Cost of Developing Proposals and Grant Applications:** The costs to prepare grant applications are not eligible.
18. **Duplication:** Projects that have previously received TFCA Regional or County Program Manager funds and do not propose to achieve additional emission reductions are not eligible.

USE OF TFCA FUNDS

19. **Combined Funds:** Unless otherwise specified in policies #22 through 32, TFCA County Program Manager Funds may not be combined with TFCA Regional Funds to fund a TFCA Regional Fund project.
20. **Administrative Costs:** Unless otherwise specified in policies #22 through 32, TFCA Regional Funds may not be used to pay for administrative costs (i.e., the costs associated with administering a TFCA Regional Fund grant). In cases where administrative costs may be paid for by TFCA Regional Funds, they are limited to a maximum of five percent (5%) of total TFCA Regional Funds expended on a project and are only available to projects sponsored by public agencies. To be eligible for reimbursement, administrative costs must be clearly identified in the project budget at the time of application and in the funding agreement between the Air District and the project sponsor.
21. **Expend Funds within Two Years:** Project sponsors have up to two (2) years from the effective date of their grant agreement to expend the awarded funds. Applicants may request a longer period in the Application, by submitting evidence that a longer period is justified to complete the project due to its unique circumstance. Project sponsors may request a longer period before the end of the agreements' second year in the event that significant progress has been made in the implementation of the project. If the Air District

approves a longer period, the parties shall memorialize the approval and length of the extension formally (i.e., in writing) in the grant agreement or in an amendment to the executed grant agreement.

ELIGIBLE PROJECT CATEGORIES

To be eligible for TFCA Regional funding, a proposed project must meet the purposes and requirements for the particular category's type of project.

Clean Air Vehicle Projects

22. **On-Road Truck Replacements:** The project will replace Class 6, Class 7, or Class 8 diesel-powered trucks that have a gross vehicle weight rating (GVWR) of 19,501 lbs. or greater (per vehicle weight classification definition used by Federal Highway Administration (FHWA)) with new or used trucks that have an engine certified to the 2010 California Air Resources Board (CARB) emissions standards or cleaner. The existing trucks must be registered with the California Department of Motor Vehicles (DMV) to an address within the Air District's jurisdiction, and must be scrapped after replacement.
23. **Light-Duty Zero- and Partial-Zero-Emissions Vehicles for Fleets:** The project will accelerate the deployment of zero- and partial-zero-emissions light-duty vehicles in high-mileage fleets:
- Each project (fleet deployment) must consist of the purchase or lease of three or more vehicles registered to a single owner;
 - Each vehicle must be new (2015 model year or newer) and have a GVWR of 14,000 lbs. or lighter;
 - Each vehicle must be maintained and operated within the Air District's jurisdiction for a minimum of three years and of 15,000 miles;
 - Eligible vehicle types include plug-in hybrid-electric, plug-in electric, and fuel cell vehicles certified by the CARB as meeting super-ultra low emission vehicle (SULEV) or zero-emission vehicle (ZEV) standard; and
 - Project sponsors may request authorization for up to \$5,000 of the TFCA Funds awarded to each vehicle to pay for costs directly related to the purchase and installation of alternative fueling infrastructure and/or equipment used to power the vehicle.

Non-plug-in hybrid, gasoline, natural gas, diesel vehicles, and retrofit projects that are not approved or certified by the CARB are not eligible.

The amount of TFCA funds awarded may not exceed the vehicle's "incremental cost" meaning the difference in cost between the purchase or lease price of the new vehicle for the project and its new conventional vehicle counterpart that meets current Federal and State emission standards after all other applicable manufacturer and local/state/federal rebates and discounts are applied.

24. **Heavy-Duty Zero-Emissions Vehicles:** The project will accelerate the deployment of zero-emissions heavy-duty vehicles:
- Vehicles must be new (2015 model year or newer), and have a GVWR of greater than 14,000 lbs.;
 - Vehicles may be purchased or leased;
 - Each vehicle must be maintained and operated within the Air District's jurisdiction for a minimum of three years and of 15,000 miles ;
 - Eligible vehicle types include zero-emissions (electric and fuel cell technologies) vehicles that are certified by the CARB; and
 - Project sponsors may request authorization for up to \$5,000 of the TFCA Funds awarded to each vehicle to pay for costs directly related to the purchase and installation of alternative fueling infrastructure and/or equipment used to power the vehicle.

In addition, projects that seek to replace an equivalent weight-class model year 2000-2006 vehicle and have documented at least two consecutive years of annual mileage records, may qualify for up to an additional

\$25,000 in TFCA funding. Costs related to the scrapping and/or dismantling of the existing vehicle are not eligible for reimbursement with TFCA funds.

Gasoline, natural gas, diesel, and hybrid vehicles, and retrofit projects that are not approved or certified by the CARB are not eligible.

The amount of TFCA funds awarded may not exceed a vehicle's "incremental cost" meaning the difference in cost between the purchase or lease price of the new vehicle for the Project and its new conventional vehicle counterpart that meets current Federal and State emission standards after all other applicable manufacturer and local/state/federal rebates and discounts are applied.

25. **Hydrogen Stations:** These projects are intended to accelerate the deployment of hydrogen fueling stations. Funding may be used for the purchase and installation of equipment for new dispensing facilities and for upgrades and improvements that expand access to existing refueling sites. The following additional conditions must also be met:

- a. Stations must be located within the Air District's jurisdiction and be available and accessible to the public;
- b. Equipment and infrastructure must be designed, installed, and maintained as required by the existing recognized codes and standards and approved by the local/state authority; and
- c. Each station must be maintained and operated for a minimum of three years.

TFCA funding may not be used to pay for fuel or on-going operations and maintenance costs.

TFCA funding is limited to 25% of the total project cost and may not exceed a maximum award amount of \$250,000 per station.

Additionally, proposed stations must have received at least a passing score and/or received approval for funding from a State or Federal agency.

26. **Reserved.**

27. **Reserved.**

Trip Reduction Projects

28. **Shuttle/Feeder Bus Services:** The project will reduce single-occupancy vehicle commute-hour trips by providing the short-distance connection between a mass transit hub and one or more definable commercial hub or employment centers:

- a. The service must provide direct service between a mass transit hub (e.g., a rail or Bus Rapid Transit (BRT) station, ferry or bus terminal, or airport) and a distinct commercial or employment location;
- b. The service's schedule must be coordinated to have a timely connection with the corresponding mass transit service;
- c. The service must be available for use by all members of the public;
- d. TFCA Regional Funds may be used to fund only shuttle services to locations that are under-served and lack other comparable service. For the purposes of this policy, "comparable service" means that there exists, either currently or within the last three years, a direct, timed, and publicly accessible service that brings passengers to within one-third (1/3) mile of the proposed commercial or employment location from a mass transit hub. A proposed service will not be deemed "comparable" to an existing service that brings passengers from a mass transit hub to within 1/3 mile of the employment location or commercial hub if the passengers' proposed travel time will be at least 15 minutes less than and will be at least 33% shorter than the existing service's travel time to the proposed destination;
- e. Shuttle/Feeder Bus Service projects that were awarded Regional Funds in FYE 2014 or FYE 2015 may request an exemption from the requirements of Policy 28.d until December 31, 2016, provided that they meet the following requirements:

- i. The proposed service must serve the identical transit hub and commercial or employment locations as the previously funded project; and
 - ii. A plan to either achieve financial self-sufficiency from TFCA funds by January 1, 2017, or to come into compliance with Policy 28.d and all other eligibility criteria must be submitted along with the Application.
- f. TFCA Regional Funds may be used to fund services only during commuter peak-hours, i.e., 5:00-10:00 AM and/or 3:00-7:00 PM;
- g. Matching funds must be provided to cover at least 10% of the total project cost, and must include only direct operational costs. Administrative costs are not eligible for use as matching funds. For shuttle/feeder bus service projects, the total project cost is the sum of direct operational costs (i.e., shuttle driver wages and fuel) and the administrative costs paid for by TFCA Regional Funds;
- h. Shuttle/feeder bus service applicants must be either: (1) a public transit agency or transit district that directly operates the shuttle/feeder bus service, or (2) a city, county, or any other public agency; and
- i. Shuttle/feeder bus service applicants must submit a letter of concurrence from the transit district or transit agency that provides service in the area of the proposed route, certifying that the service does not conflict with existing service.

Projects that would operate in Highly Impacted Communities or Episodic Areas as defined in the Air District Community Air Risk Evaluation (CARE) Program, or in Priority Development Areas (PDAs), may qualify for funding at a cost-effectiveness limit of \$200,000 per ton.

29. **Pilot Trip Reduction:** The project will reduce single-occupancy commute-hour vehicle trips by encouraging mode-shift to other forms of shared transportation. Pilot projects are defined as projects that serve an area where no similar service was available within the past three years, or will result in significantly expanded service to an existing area. Funding is designed to provide the necessary initial capital for the startup of Pilots, with the goal of transitioning the project to be financially self-sustaining within two years from the project's start date:
- a. The proposed project must be located in a Highly Impacted Community or Episodic Area as defined in the Air District Community Air Risk Evaluation (CARE) Program, or in a Priority Development Area (PDA);
 - b. Applicants must demonstrate the project will reduce single-occupancy commute-hour vehicle trips and result in a reduction in emissions of criteria pollutants;
 - c. The proposed service must be available for use by all members of the public;
 - d. Applicants must attend a mandatory pre-application workshop to discuss their proposed project with the Air District; and
 - e. Applicants must provide a written plan documenting steps that would be taken to ensure that the project will be financially self-sustaining in 2 years.

In addition, for pilot service projects:

- f. Applicants must demonstrate that they have attempted to have the service provided by the local transit agency. Applicants must provide the transit agency's evaluation of the need for service to the proposed area, and a letter denying service to the project's proposed area, including the basis for denial of service;
- g. Applicants must provide data and/or other evidence demonstrating the public's need for the service, including a demand assessment survey and letters of support from potential users;
- h. Shuttle/Feeder Bus service and Ridesharing service projects must comply with all applicable requirements in policies #28 and #30.

30. **Regional Ridesharing Services:** The project will provide carpool, vanpool, and other rideshare services. For TFCA Regional Fund eligibility, ridesharing projects must be comprised of riders from at least five

counties within Air District's jurisdiction, with no one county accounting for more than 80% of all riders, as verified by documentation submitted with the application.

If a project includes ride-matching services, *only* ride-matches that are not already included in the Metropolitan Transportation Commission's (MTC) regional ridesharing program are eligible for TFCA Regional Funds. Projects that provide a direct or indirect financial transit or rideshare subsidy are also eligible under this category. Applications for projects that provide a direct or indirect financial transit or rideshare subsidy *exclusively* to employees of the project sponsor are not eligible.

Bicycle Facility Projects

31. **Electronic Bicycle Lockers:** The project will expand the public's access to new electronic bicycle lockers. The project must be included in an adopted countywide bicycle plan, Congestion Management Plan (CMP), or the Metropolitan Transportation Commission's Regional Bicycle Plan, and must serve a major activity center (e.g. transit station, office building, or school). The electronic bicycle lockers must be publicly accessible and available for use by all members of the public.

Costs for maintenance, repairs, upgrades, rehabilitation, operations, and project administration are not eligible for TFCA Regional Funds.

The maximum award amount is based on the number of lockers, at the rate of \$2,500 per locker.

Monies expended for administrative costs (i.e., the costs associated with administering a TFCA Regional Fund grant) are eligible matching funds for electronic bicycle lockers. Monies expended by the Project Sponsor to maintain, repair, upgrade, rehabilitate, or operate the electronic lockers are not eligible as matching funds.

32. **Bikeways:** The project will construct and/or install new bikeways that are included in an adopted countywide bicycle plan, Congestion Management Plan (CMP), or the Metropolitan Transportation Commission's Regional Bicycle Plan.

Projects must reduce vehicle trips made for utilitarian purposes (e.g., work or school commuting) and cannot be used exclusively for recreational use.

All bikeway projects must, where applicable, be consistent with design standards published in the California Highway Design Manual, or conform to the provisions of the Protected Bikeway Act of 2014.

Projects must meet one of the following conditions:

- a. Be located within one-half mile (1/2) from a public transit station/stop (e.g., local, county- wide or regional transit stops/stations/terminals, Bay Area Bike Share); or
- b. Be located within one-half mile (1/2) from a major activity center that serves at least 2,500 people per day (e.g., employment centers, schools, business districts); or
- c. Be located within one-half mile (1/2) from three activity center(s) (e.g., employment centers, schools, business districts); or
- d. Provide a gap closure in, or an extension to, an existing bicycle network located within one-half mile (1/2) from a public transit station/stop (e.g., local, county- wide or regional transit stops, stations, terminals, Bay Area Bike Share); a major activity center that serves at least 2,500 people per day (e.g., employment centers, schools, business districts); or from three activity center(s) (e.g., employment centers, schools, business districts).

Projects are limited to the following types of bikeways:

- a. New Class-I bicycle paths;
- b. New Class-II bicycle lanes;
- c. New Class-III bicycle routes; or
- d. New Class-IV cycle tracks or separated bikeways.

REGIONAL FUND EVALUATION CRITERIA:

1. Projects must meet all of the applicable TFCA Regional Fund policies.
2. Applications will also be evaluated using the evaluation process listed in table 4:

Table 4: Evaluation Process by Project Category

Policy #	Project Category	Evaluation Process
22	On-Road Truck Replacements	Applications will be reviewed on a first-come, first-served basis, and funding amounts for eligible projects will be determined based on a project's cost-effectiveness and responsiveness to their respective project specific Policy requirements.
23	Light-Duty Zero and Partial-Zero Emissions Vehicles for Fleets	
24	Heavy-Duty Zero Emissions Vehicles	
25	Alternative Fuel Infrastructure	Applications will be reviewed after the submittal deadline and eligible projects will be ranked based on their cost-effectiveness score and responsiveness to Policy #25.
26	Reserved	Reserved
27	Reserved	Reserved
28	Shuttle/Feeder Bus Services	Applications will be reviewed after the submittal deadline and eligible projects will be ranked based on their cost-effectiveness score and responsiveness to their respective project specific Policy requirements.
29	Pilot Trip Reduction	
30	Regional Ridesharing Services	
31	Electronic Bicycle Lockers	Applications will be reviewed on a first-come, first-served basis, and eligible projects will be recommended for funding until funding has been depleted.
32	Bikeways	Applications will be reviewed after the submittal deadline and eligible projects will be ranked based on their cost-effectiveness score and responsiveness to Policy #32. Projects that serve regional or county-wide transit stops/stations/terminals (e.g., BART, Caltrain, Capitol Corridor, ferry terminals) and Bay Area Bike Share stations will receive a higher priority.

3. Up to sixty percent (60%) of TFCA Regional Funds will receive a higher priority for projects that meet one or more of the following criteria:
 - a. Projects in Highly Impacted Communities or Episodic Areas as defined in the Air District Community Air Risk Evaluation (CARE) Program;
 - b. Projects in Priority Development Areas (PDAs).

APPENDIX B: PAYMENT PROCESS, ELIGIBLE PROJECT COSTS, AND REPORTING

This appendix provides information about the reimbursement process, guidance for determining which project costs for shuttle/feeder bus service and regional rideshare projects are eligible for award of TFCA Regional Funds and for use as matching funds, and project reporting and audit requirements.

Payment

Only costs incurred on or after the date the Air District executes a funding agreement with a project sponsor and that are clearly described in Attachment A of the executed funding agreement are eligible for reimbursement or for use as matching funds. Grant awards are paid on a reimbursement basis after the approved project has been placed into service and is operational, project costs have been incurred and documented, and the Air District has received and approved the Final Report and Final Invoice.

Such documentation must show the individual unit cost and total cost of hardware/equipment, associated project fees, and how labor project costs were calculated, for example, by listing the date when the hours were worked, employee job title, employee hourly pay rates, tasks, and total charges. Documentation of labor charges may be provided with time sheets or any other generally accepted accounting method to allocate and document eligible labor costs. If the actual total project cost is less than the estimated total project cost, the TFCA award may be reduced (prorated).

Projects that are not awarded funding and costs that are incurred prior to the execution of a funding agreement are not eligible for reimbursement.

Fifteen percent (15%) of the eligible reimbursable funds will be withheld from each payment until the Air District receives and approves the Final Report and Final Invoice.

Matching Funds:

Only matching funds for that will be applied to *eligible operating project costs* will be considered. Matching funds that are intended for other uses or non-eligible project costs will not be accepted or included in the calculation of the total project cost.

Eligible Project Costs:

- Shuttle operation costs:
 - Documented hourly labor charges (salaries, wages, and benefits) directly and solely related to implementation of the TFCA project,
 - Equipment maintenance costs,
 - Fuel costs.
- Administrative project costs that are associated with administration of the TFCA grant funding. Administrative project costs that are reimbursable to a project sponsor are limited to a maximum of five percent (5%) of the total TFCA funds received annually. Additionally, any administrative costs that exceed this amount cannot be counted as part of the project sponsor's matching funds.
- Only operating and administrative costs should be considered part of the project scope and included in the project budget. Operating costs are limited to costs associated with providing a service (e.g., labor costs for operating a shuttle route or maintaining a ridesharing website).

Non-Eligible Project Costs:

- Indirect project implementation costs associated with implementing the project, including reasonable overhead costs incurred to provide a physical place of work (e.g., rent, utilities, office supplies), general support services (e.g., payroll, reproduction) and managerial oversight.

- Costs associated with non-essential hardware/equipment or labor;
- Administrative costs (e.g., salaries, wages, benefits) related to a TFCA funded project including but not limited to the following types of costs incurred:
 - Costs related to the application phase or prior to the execution of a funding agreement;
 - Costs associated with the accounting of TFCA funds and participation in audit proceedings;
 - Costs associated with project status monitoring, reporting, and record-keeping and other requirements specified in the TFCA Funding Agreement; and
 - Other and indirect administrative costs, including management fees and overhead e.g., costs of utilities, office supplies, property fees/leases.

Reporting and Audit

Project sponsors are required to monitor a project's status during the implementation and operational phases and to submit semi-annual progress reports, annual monitoring reports, and a final report.

The Air District conducts audits on TFCA-funded projects to ensure that all project funds have been spent in accordance with the program guidelines and policies.

APPENDIX C: GRANT APPLICATION SUBMITTAL INSTRUCTIONS

1. Complete and submit an online application (note: the application will work best using Google Chrome or Mozilla Firefox browsers):

Shuttle/Feeder Bus Service: <http://www.tfaforms.com/381275>

Regional Ridesharing: <http://www.tfaforms.com/382648>

The applications include the following four parts:

- PART 1: SUMMARY INFORMATION
- PART 2: DETAILED INFORMATION
- PART 3: CHECKLIST OF SUPPLEMENTAL DOCUMENTS TO SEND WITH PRINTED COPY OF APPLICATION
- PART 4: CERTIFICATION AND SURVEY

The required supplemental documents include:

For Shuttle / Feeder Bus projects:

- Documentation for all matching funds that will be applied to the project.
- A signed Letter of Commitment or Resolution authorizing the submittal of the application identifying the individual authorized to submit and carry out the proposal.
- A map and schedule for each service route.
- Data showing ridership for the past three (3) years.
- Printed raw survey data (exported in an Excel spreadsheet).
- Document showing methodology for all calculations used, including assumptions and equations.
- Documents for each vehicle that will be providing service including
 - A copy of the vehicle's current Department of Motor Vehicle (DMV) registration,
 - Executive Order for engine, and
 - Executive Order of retrofit device, if applicable.
- A letter of concurrence from the transit district or transit agency that provides service in the area of the proposed route, certifying that the service does not conflict with existing service. (see Policy #28.i in Appendix A in Grant Application Guidance).

For Regional Ridesharing projects:

- Documentation for all matching funds that will be applied to the project.
- A signed Letter of Commitment or Resolution authorizing the submittal of the application identifying the individual authorized to submit and carry out the proposal.
- Printed raw survey data (exported in an Excel spreadsheet).
- Document showing methodology for all calculations used, including assumptions and equations.

2. Mail **one printed and signed copy** of the online application AND the required supplemental documents to the Air District at the address below (*board resolutions may be submitted after the due date, but no later than October 1, 2015*).

Printed copy: Attn: Chengfeng Wang, Supervising Air Quality Specialist
Strategic Incentives Division
BAAQMD
939 Ellis Street, San Francisco, CA 94109

For more information about the **TFCA Regional Fund Program** visit: www.baaqmd.gov/tfcaregional.

For more information on **Air District Grants and Incentives** contact us:

Website: www.baaqmd.gov/grants

Email grants@baaqmd.gov

Grants Information Request Line (415) 749-4994

APPENDIX D: INSURANCE GUIDELINES

This appendix provides guidance on the insurance coverage and documentation typically required for TFCA Regional Fund projects. Note that the Air District reserves the right to specify different types or levels of insurance in the funding agreement.

The typical funding agreement requires that each project sponsor provide documentation showing that the project sponsor meets the following requirements for each of its projects.

- a) **Liability Insurance** with a limit of not less than \$1,000,000 per occurrence, of the type usual and customary to the business of the Project Sponsor, and to the operation of the vehicles, vessels, engines or equipment operated by the Project Sponsor.
- b) **Property Insurance** in an amount of not less than the insurable value of Project Sponsor's vehicles, engines or equipment funded under the Agreement, and covering all risks of loss, damage or destruction of such vehicles, vessels, engines or equipment.
- c) **Acceptability of Insurers:** Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A, VII. The Air District may, at its sole discretion, waive or alter this requirement or accept self-insurance in lieu of any required policy of insurance.

The table lists the types of insurance coverage generally required. The requirements may differ in specific cases. Project Sponsors should contact the Air District with questions, especially about unusual projects.

Activity	Insurance Required
Operation of shuttles and vanpools	Commercial General Liability Automobile Liability Automobile Physical Damage Workers Compensation
Ridesharing operation	Commercial General Liability